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Attorneys for Defendants
JUSTICE INVESTORS, PORTSMOUTH SQUARE, INC.,
and GEOFFREY M. PALERMO

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

EVON CORPORATION,

Plaintiff,

v.

JUSTICE INVESTORS, a California limited
partnership; PORTSMOUTH SQUARE, INC., a
California Corporation; GEOFFREY M.
PALERMO, an individual; DOES 1-20,
inclusive,

Defendants.

Case No.

**NOTICE OF REMOVAL OF ACTION
PURSUANT TO 15 U.S.C. § 78aa and 28
U.S.C. §§ 1367 and 1441 *et seq.***

(FEDERAL QUESTION)

(San Francisco County Superior Court Case
No. CGC 14-537426)

1 **NOTICE OF REMOVAL**

2 PLEASE TAKE NOTICE that, pursuant to 15 U.S.C. § 78aa and 28 U.S.C. §§ 1367 and
3 1441 *et seq.*, Defendants, by their undersigned counsel and with full reservation of any and all
4 rights, claims and defenses of any nature whatsoever, file this Notice of Removal seeking removal
5 of this action from the Superior Court of the State of California for the County of San Francisco to
6 the United States District Court for the Northern District of California and respectfully show:

7 **Procedural Background**

8 1. On February 13, 2014, plaintiff Evon Corporation (“Evon”) filed a Complaint styled
9 *Evon Corporation v. Justice Investors, Portsmouth Square, Inc., Geoffrey M. Palermo and Does 1*
10 *through 20*, Case No. CGC 14-537426 in the Superior Court of the State of California for the
11 County of San Francisco. The Complaint asserts eight claims for relief against Defendants,
12 including a claim for securities fraud in violation of 15 U.S.C. § 78J(B).

13 2. On March 3, 2014 Defendants accepted service of the Summons and Complaint.

14 **Jurisdiction and Grounds for Removal**

15 3. This Court has original and exclusive subject matter jurisdiction over this action
16 under 15 U.S.C. § 78aa, because the action arises under the Securities and Exchange Act of 1934,
17 15 U.S.C. § 78a *et seq.*

18 4. This Court also has subject-matter jurisdiction pursuant to 28 U.S.C. § 1367(a)
19 because all claims are so related to claims over which this Court has original jurisdiction that they
20 form part of the same case or controversy under Article III of the United States Constitution.

21 5. Pursuant to 28 U.S.C. §1441(a), removal to the United States District Court for the
22 Northern District of California is proper as this is the federal district court for the district
23 encompassing the Superior Court of the State of California, for the County of San Francisco, where
24 the state court suit was originally filed.

25 **Intradistrict Assignment**

26 6. The United States District Court for the Northern District of California, San
27 Francisco Division or Oakland Division, is the proper forum for removal because this case was filed
28 in the Superior Court for the County of San Francisco. *See* Civil L. R. 3-2(d).

Compliance with Removal Procedures

7. This Notice of Removal is filed within thirty (30) days after service of the Summons and Complaint in accordance with 28 U.S.C. § 1446(b).

8. Pursuant to 28 U.S.C. § 1446(b), all Defendants who have been properly joined and served consent to removal.

9. Pursuant to 28 U.S.C. § 1446(a), a copy of the Complaint is attached hereto as Exhibit A and a copy of all other “process, pleadings, and orders” in the Action are attached hereto as Exhibit B.

10. Pursuant to 28 U.S.C. § 1446(d), Defendants will promptly file a copy of this Notice of Removal with the Clerk of the Superior Court for the County of San Francisco, where the Action was originally filed and serve Evon with this Notice of Removal.

Dated: April 1, 2014

ARNOLD & PORTER LLP
SEAN M. SELEGUE
SHARON D. MAYO

By: /s/ Sharon D. Mayo
SHARON D. MAYO

Attorneys for Defendants JUSTICE
INVESTORS, PORTSMOUTH
SQUARE, INC., and GEOFFREY M.
PALERMO

PROOF OF SERVICE

I am a citizen of the United States employed in the County of San Francisco, State of California. I am over the age of 18 and not a party to the within action. My business address is Three Embarcadero Center, 10th Floor, San Francisco, CA 94111. On April 1, 2014, I served the following document(s) described as:

**NOTICE OF REMOVAL OF ACTION PURSUANT TO
15 U.S.C. § 78aa and 28 U.S.C. §§ 1367 and 1441 *et seq.***

on the interested parties in this action as shown below.

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

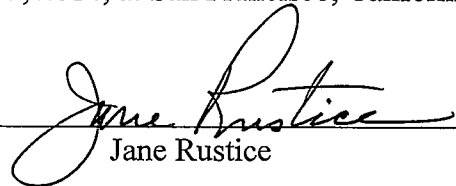
Robert R. Moore

Michael L. Bertz

Cathy A. Hongola-Baptista

Three Embarcadero Center, 12th Floor
San Francisco, CA 94111-4074

- ☐ **BY MAIL** I caused the sealed envelope(s) or package(s) to be deposited with postage fully prepaid thereon in the United States Mail in Los Angeles, California. I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.
- ☒ **BY FEDERAL EXPRESS** I caused the sealed envelope(s) or package(s) to be delivered by Federal Express Priority Overnight (delivery by next business morning) to the offices of the addressee(s) by placing the envelope(s) or package(s) for collection and overnight delivery. I am "readily familiar" with this firm's practice of collection for overnight delivery. On the same day that envelopes or packages are placed for collection, they are either picked up by Federal Express or deposited at a facility regularly maintained by Federal Express in the ordinary course of business with the cost thereof billed to the firm's account.
- ☐ **STATE** I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on April 1, 2014, at San Francisco, California.
- ☒ **FEDERAL** I am employed in the office of a member of the bar of this court at whose direction the service was made. Executed on April 1, 2014, at San Francisco, California.


Jane Rustice